Robert Palmer, Ph.D.

Professional Engineer 1819 Newcastle Drive Los Altos CA 94024 415/965-1110 Manual Fax 965-1135

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30 May 1995

Chief Counsel
Federal Election Commission
999 E Street
Washington D.C. 20463

Re: Advice on Sale of Book to Liquidate Debt

Dear General Counsel:

In 1990 I was an unsuccessful candidate for The House of Representatives. I file semiannually reporting \$54,749.48 as a personal debt owed by the Committee to the candidate.

In 1992 I self-published a book that dealt with a campaign issue that I was not able to bring before the voters. I would like to liquidate my campaign debt. I have nearly 3,000 copies of my book in a warehouse in Ohio. I would like to assign ownership of these books to the Committee. The Committee would then solicit voters for contributions to my primary or general election campaigns. For a contribution of \$24.95, the cover price or a greater amount, the Committee would provide a copy of the book. I know that books have been used in the past to assist in raising campaign contributions. However, I want to proceed in a manner that meets the FEC's rules and regulations. At present there is no cash balance. The Committee would need funds to solicit contributions. How do I proceed?

Thank you for your anticipated assistance and courtesy in this matter.

Sincerely,

ROBERT PALMER, Candidate, and

ROBERT PALMER FOR CONGRESS COMMITTEE



FEDERAL ELECTION COMMISSION

WASHINGTON D.C. 20463

June 6, 1995

Robert Palmer, Ph.D. 1819 Newcastle Drive Los Altos, CA 94024

Dear Dr. Palmer:

This refers to your letter dated May 30, 1995, concerning the application of the Federal Election Campaign Act of 1971, as amended ("the Act"), and Commission regulations to retirement of a debt owed to you by your principal campaign committee.

Your principal campaign committee for your 1990 primary and general election House campaign, Robert Palmer for Congress ("the Committee"), owes you almost \$55,000. In 1992, you self-published a book, and you presently store 3,000 copies in a warehouse in Ohio. You want to assign ownership of the books to the Committee. The Committee would solicit contributions to your primary and general election campaigns by providing a copy of the book in return for a contribution in the amount of the cover price (\$24.95) or a greater amount. Your committee lacks the funds to pay for solicitations. You ask how to proceed.

No opinion of an advisory nature may be issued by the Commission or any of its employees except in accordance with 11 CFR Part 112 (enclosed). 11 CFR 112.4(f). The Act authorizes the Commission to issue an advisory opinion in response to a "complete written request" from any person with respect to a specific transaction or activity by the requesting person. 2 U.S.C. \$437f(a). The request must concern a specific transaction or activity that "the requesting person plans to undertake or is presently undertaking and intends to undertake in the future." 112.1(b). The regulations also explain that such a request "shall include a complete description of all facts relevant to the specific transaction or activity with respect to which the request is made." 11 CFR 112.1(c). Inquiries presenting only a general question of interpretation do not qualify as advisory opinion requests. Finally, this office is authorized to determine if a request is incomplete or otherwise not qualified as an advisory opinion request. 11 CFR 112.1(d).

In view of the cited requirements, this office cannot respond to your letter with definitive advice. If you decide

Letyter to Robert Palmer, Ph.D. Page 2

that you want an advisory opinion from the Commission, you will need to so state. In addition, your present inquiry is too general to qualify as an advisory opinion request. You will need to explain how you propose to finance a solicitation(s) for purchases of the books and a description of the solicitation(s).

For your guidance, this office notes several relevant regulations and advisory opinions that are, in part, pertinent to the general situation you present. We enclose Advisory Opinions 1992-24, 1985-10, 1984-60, and 1981-22. We have also enclosed, for your review, 11 CFR 110.10(a), 100.7(a)(1), and 104.13.

If you have any questions, please contact Jonathan Levin, Senior Attorney, at 202-219-3690.

Lawrence M. Noble General Counsel

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N. Bradley Litchfield
Associate General Counsel

Enclosures

FEDERAL ELECTION COMMISSION SECRETARIAT

Robert Palmer, Ph.D.

Professional Engineer 1819 Newcastle Drive Los Altos CA 94024 415/965-1110 Manual Fax 965-1135 Jun 23 3 59 PM 195

15 June 1995

Mr. Lawrence M. Noble, Associate General Counsel Federal Election Commission 999 E Street Washington D.C. 20463

AOR 1995-24

Re: Request for Advisory Opinion

Dear Mr. Noble:

Thank you for your response to my letter of May 30, 1995. I have read the material that you provided and after careful review of related opinions have decided on a course of action. I seek your review of my proposed actions and your advisory opinion regarding compliance with FEC Rules and Regulations.

At present I have 2630 books in a warehouse in Mansfield Ohio. The printing cost was \$1.50 per book. It appears to me that the most appropriate way to comply would be for me to agree to sell books to the Committee at cost. This is in compliance AO 1992-24 which deals with pricing a book and discuses the situation where the vendor supplies fund raising items as required or where the Committee makes a bulk purchase. I believe that either the assignment arrangement or the bulk sale of the books would be in compliance.

Would I be in compliance if I sold the 2630 books to the Committee for \$1.50 per book? Would I be in compliance if I sold books to the Committee for \$1.50 per book, as the books were needed by the Committee?

It is my understanding that contributions in return for the book could be used to defray operating expenses and to retire debt. When debt is retired, I would file a termination report with the FEC. Your advisory opinion will be most helpful to me. Thank you for your assistance and courtesy in this matter.

Sincerely.

ROBERT PALMER
Enclosures